

Exhibit 11



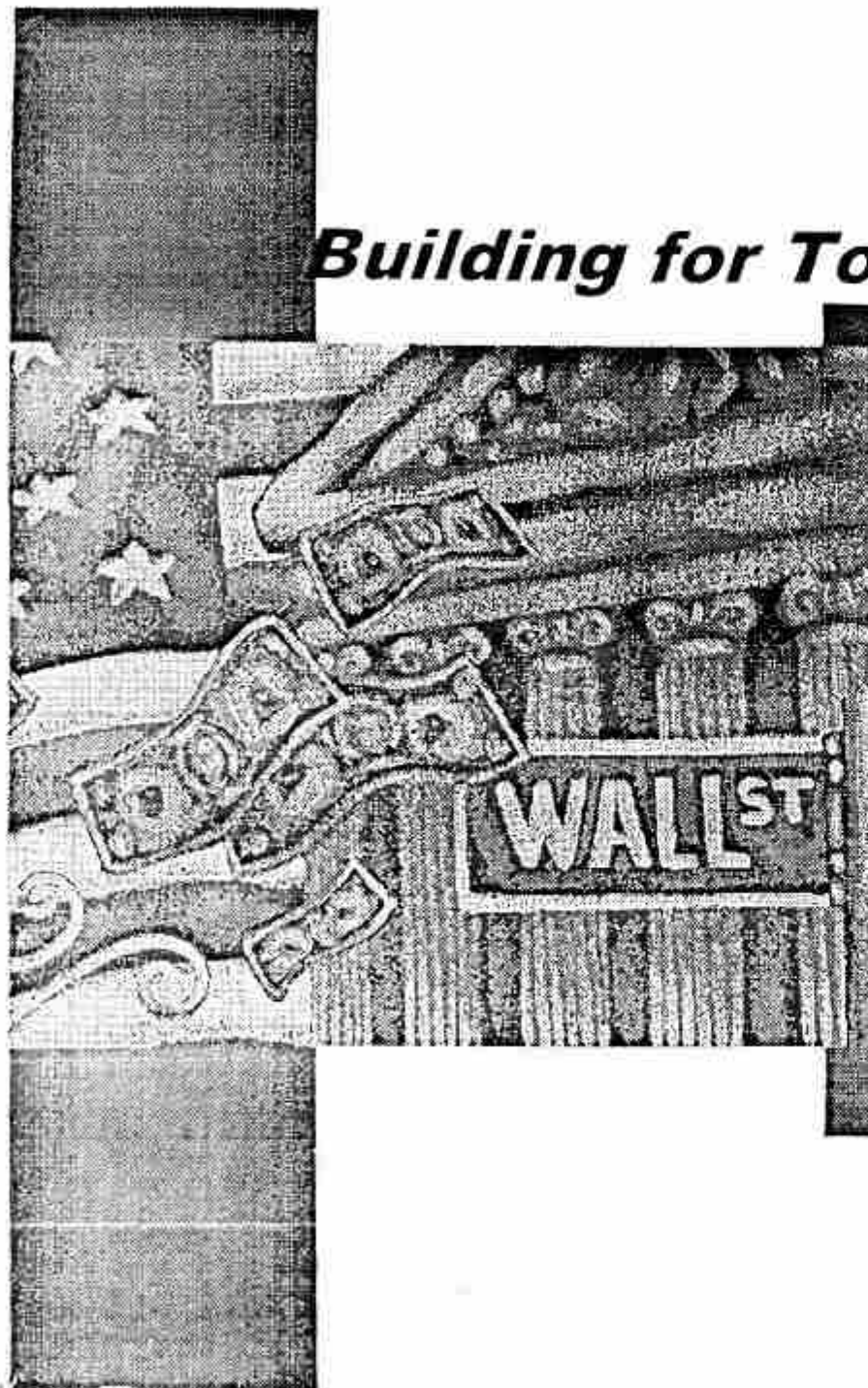
Building for Tomorrow...

SPX Corporation

Financial **Security** *Plans*

For New SPX Associates

September/October 1999



Why We Are Here

- To help you understand the transition from the former General Signal retirement plans to the SPX Financial Security Plans
- To describe the details of the new Individual Account Retirement Plan (IARP)
- To explain what you can expect on your upcoming personalized statement
- Answer your questions

What We Will Cover

- **Background information**
- **Individual Account Retirement Plan (IARP) features**
- **Examples of how the IARP works**
- **Details on the sample statement**
- **Overview of:**
 - ◆ **SPX Retirement Savings and Stock Ownership Plan and enhancements**
 - ◆ **Opportunity with Employee Stock Purchase Plan as units move to PeopleSoft**
 - ◆ **Additional information you can expect to receive soon**

Background

SPX Total Compensation Program

Compensation
Plans

Flexible
Benefit
Plans

Financial
Security
Plan

Background

SPX Financial Security Plans



Background

- **SPX Corporation acquired General Signal in October 1998**
- **To support “one SPX team,” the same benefit opportunities are being provided among SPX associates**
- **Includes transitioning into SPX Financial Security Plans:**
 - ◆ **Move from traditional to account-based pension plan (Individual Account Retirement Plan)**
 - ◆ **Transition to enhanced SPX Retirement Savings and Stock Ownership Plan**
 - ◆ **Opportunity to participate in Employee Stock Purchase Plan as units move to PeopleSoft**

Why Move to SPX Financial Security Plan

- **Provide consistent benefit opportunities for SPX associates**
- **Help SPX attract/retain key talent by better meeting needs of today's work force**
- **Provide flexibility by allowing vested account to be portable if leaving SPX prior to retirement**
- **Help facilitate career movement between SPX units**

What's Happening to the Benefits I Had Under the General Signal Plans?

Former Plan:

- **Benefits earned as of 12/31/98, under former General Signal pension plans are protected by law and can't be reduced**
- **Former monthly benefit converted to an equivalent lump sum amount in today's dollars to create opening account balance as of 1/1/99**

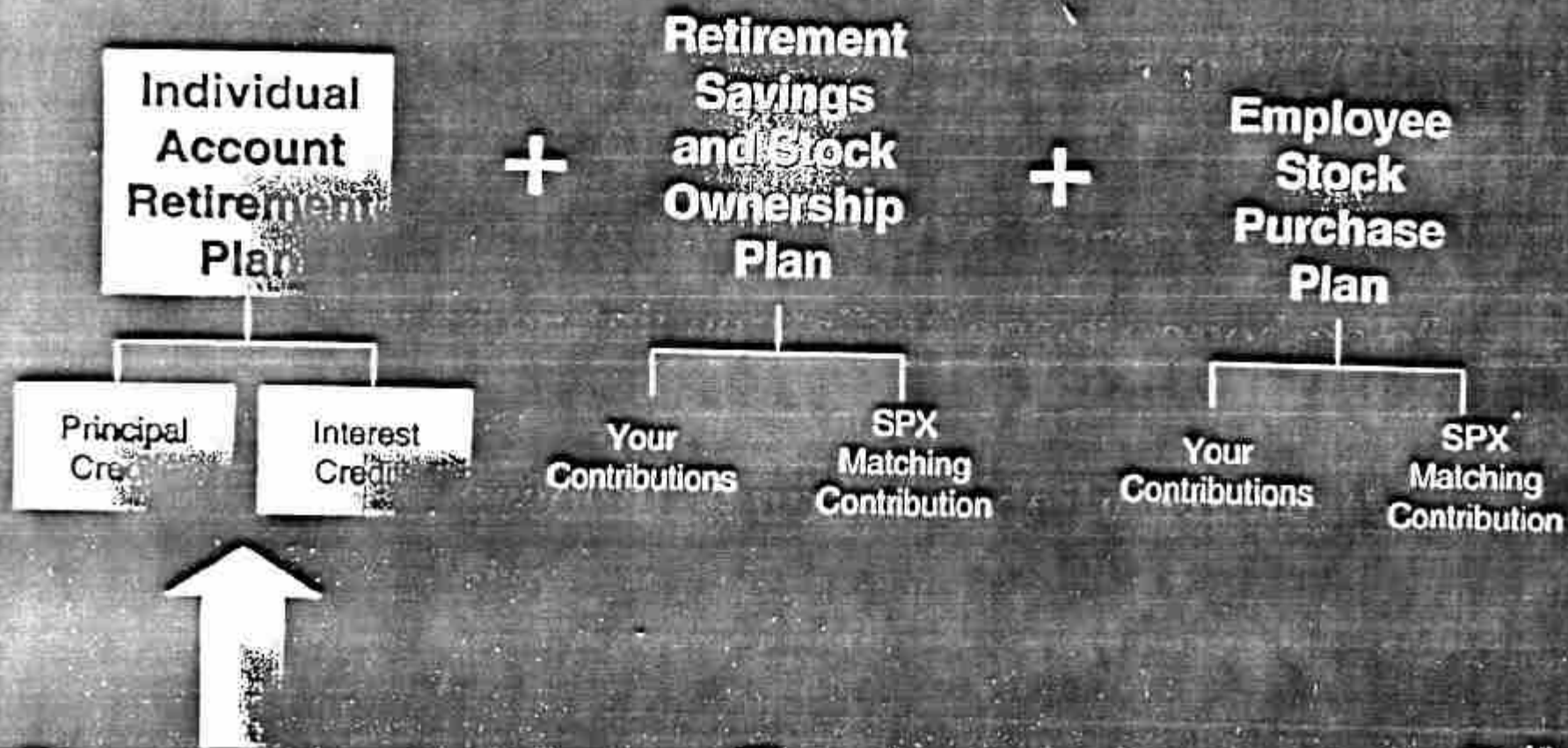
What's Happening to the Benefits I Had Under the General Signal Plans? (cont.)

Retirement Savings Plan:

- **Former savings plan balance was transferred into SPX plan**
- **Pre-tax contribution rate prior to 1/1/99 continues to be made**
- **Freedom to invest in 50 different funds**
- **Any after-tax contributions stopped as of 1/1/99**
- **Your account is updated daily rather than quarterly**

Closer Look at the SPX Individual Account Retirement Plan

SPX Financial Security Plans



Closer Look at the SPX Individual Account Retirement Plan (cont.)

- **The Individual Account Retirement Plan is considered a “cash balance plan.”**
- **How a “cash balance plan” works:**
 - ◆ **Defines a participant’s benefit as an employer-maintained “account balance”**
 - ◆ **Employer has investment responsibility and assumes any risk**
 - ◆ **Account grows with company-paid principal credits and guaranteed interest credits**
 - ◆ **Lump sum payments allowed**
 - ◆ **Associates who leave prior to retirement have flexibility — can take vested account with them**
 - ◆ **Protected by PBGC**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

- **History of cash balance plans**
 - ◆ **Traditional pension plans no longer met needs of employers and associates**
 - ◆ **Cash balance plans developed in mid-1980's**
 - **strengths of traditional pension plans**
 - **strengths of savings plans**
 - ◆ **Many companies have or are converting traditional pension plans to cash balance plans**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

■ We're in good company

- ◆ 3M
- ◆ Aetna
- ◆ Ameritech
- ◆ AT&T
- ◆ BankOne
- ◆ Bank of America
- ◆ BCBSM
- ◆ CIGNA
- ◆ Dana Corp.
- ◆ Detroit Diesel
- ◆ Dow Chemical
- ◆ EDS
- ◆ Eastman Kodak
- ◆ Federal-Mogul
- ◆ Henry Ford Health System
- ◆ Herman Miller
- ◆ IBM
- ◆ NationsBank
- ◆ Owens Corning
- ◆ Ralston Purina
- ◆ RJR/Nabisco
- ◆ Xerox

Closer Look at the SPX Individual Account Retirement Plan (cont.)

- There has been recent press on these types of plans
- The key issues driving this include:
 - ◆ Companies masking motives
 - ◆ Sending unclear/inconsistent messages
 - ◆ Not acknowledging benefit reductions
 - ◆ Under communicating
- SPX is committed to communicating openly and honestly about the plan and impact on associates

Closer Look at the SPX Individual Account Retirement Plan (cont.)

Individual Account Retirement Plan (=)

(+)

Strengths of Traditional Pension Plans

- ◆ **Company-paid**
- ◆ **Dependable income**
- ◆ **Secure income**
- ◆ **Protected environment (PBGC)**

Strengths of Retirement Savings Plans

- ◆ **Individual account balance**
- ◆ **Easy benefit formula**
- ◆ **Access to vested benefit prior to retirement**
- ◆ **Variety of payment options, including lump sum option**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

■ Who is eligible?

- ◆ **Most salaried and hourly non-union SPX associates**
- ◆ **Participants in the former General Signal plans with one year of service as of 11/30/98**
 - **Hourly Plan**
 - **Salaried Plan**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

- **Who is *not* eligible?**
 - ◆ **Associates with less than one year of service**
 - ◆ **Represented (union) associates**
 - ◆ **Retirees already receiving payments prior to 1/1/99**
 - ◆ **Various hourly groups in certain locations**

Closer Look at the SPX Individual Account Retirement Plan (con)

- **When can I participate in the plan?**
 - ◆ **Immediately, if you were in the former plan and had one year of service as of 11/30/98, no enrollment was needed**
 - ◆ **Associates without one year of service or hired on or after 11/30/98, become participants after one year of service**
 - **Benefit is then calculated from date of hire**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

How was my opening account balance calculated?

Step 1

**Monthly "former plan"
benefit (12/31/98)**

(x)

**(Multiplied
by)**

Step 2

**The present value
conversion factor
(varies based on age)**

Step 3

(=)
(Equals)

**Your equivalent lump sum
"opening account balance" in
today's dollars (1/1/99)**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

■ Example of calculating opening balance

Example 1: Associate age 50

**Step 1: Monthly former plan benefit at age 65 \$200/m.
(as of 12/31/98)**

**Step 2: Multiplied by the present value (x) 57.8455
conversion factor**

**Step 3: Individual Account Retirement (=) \$11,569
Plan opening balance (as of 1/1/99)**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

■ **Example of calculating opening balance**

Example 2: Associate age 40

Step 1: Monthly former plan benefit at age 65 \$200/m.
(as of 12/31/98)

Step 2: Multiplied by the present value (x) 34.1261
conversion factor

Step 3: Individual Account Retirement (=) \$6,825
Plan opening balance (as of 1/1/99)

Closer Look at the SPX Individual Account Retirement Plan (cont.)

■ Example of calculating opening balance

Example 3: Associate age 30

**Step 1: Monthly former plan benefit at age 65 \$200/m.
(as of 12/31/98)**

**Step 2: Multiplied by the present value (x) 20.3253
conversion factor**

**Step 3: Individual Account Retirement (=) \$4,065
Plan opening balance (as of 1/1/99)**

Closer Look at the SPX Individual Account Retirement Plan (cont.)

- **How does my account grow over time?**
 - ◆ **Principal credits made by SPX**
 - 4% of pay up to the Social Security Wage Base
 - 8% of pay over the Social Security Wage Base
 - Credited annually
 - ◆ **Interest credits made by SPX**
 - Rate based on five-year Treasury rate
 - 1999 = 4.51%
 - Credited annually
 - Compounded annually